

MINUTES

MONTANA HOUSE OF REPRESENTATIVES 57th LEGISLATURE - REGULAR SESSION JOINT APPROPRIATIONS SUBCOMMITTEE ON NATURAL RESOURCES AND COMMERCE

Call to Order: By **CHAIRMAN DICK HAINES**, on February 5, 2001 at 8:30 A.M., in Room 317-C Capitol.

ROLL CALL

Members Present:

Rep. Dick Haines, Chairman (R)
Sen. William Crismore, Vice Chairman (R)
Rep. Christine Kaufmann (D)
Sen. Linda Nelson (D)
Sen. Bill Tash (R)
Rep. Joe Tropila (D)

Members Excused: None.

Members Absent: None.

Staff Present: Gary Hamel, Legislative Branch
Amber Sauer, Committee Secretary
Doug Schmitz, OBPP

Please Note: These are summary minutes. Testimony and discussion are paraphrased and condensed.

Committee Business Summary:

Hearing(s) & Date(s) Posted: None.
Executive Action: Department of Environmental
Quality, Permitting and
Compliance Division

(Note: Tape 1, Side A, Counter 0-30 has been recorded over and is the first few minutes of Tape 2, Side A.)

{Tape : 1; Side : A; Approx. Time Counter : 35}

EXECUTIVE ACTION ON THE DEPARTMENT OF ENVIRONMENTAL QUALITY

PERMITTING AND COMPLIANCE (continued)

CHAIRMAN HAINES discussed the schedule for the next few days.

{Tape : 1; Side : A; Approx. Time Counter : 65}

Mr. Gary Hamel, LFD, distributed information for the committee on proposed general fund reductions, and decision packages suggested for one-time-only, restricted, biennial.

EXHIBIT (jnh29a01) and **EXHIBIT (jnh29a02)**

Ms. Jan Sensibaugh, Director, DEQ, explained the information for Present Law Adjustment DP-1 TMDL Total Maximum Daily Load Program and DP-26 New Proposal Wastewater Technical Assistant for the Planning, Prevention and Assistance Program; and DP-18 Hard-Rock Base Adjustments, DP-39 Solid Waste Database Conversion, DP-81 Hard-Rock Vehicles and DP-82 Opencut Vehicles all present law adjustments for the Permitting and Compliance Division per exhibit 1.

{Tape : 1; Side : A; Approx. Time Counter : 185}

Motion: **REP. TROPILA** moved that **DP-1 TMDL TOTAL MAXIMUM DAILY LOAD PROGRAM, DP-26 NEW PROPOSAL WASTEWATER TECHNICAL ASSISTANT, DP-18 HARD-ROCK BASE ADJUSTMENTS, DP-39 SOLID WASTE DATABASE CONVERSION, DP-81 HARD-ROCK VEHICLES AND DP-82 OPENCUT VEHICLES WITH THE PROPOSED CHANGES BE ADOPTED.**

Discussion: The committee discussed those DP's that could be designated one-time-only.

{Tape : 1; Side : A; Approx. Time Counter : 255}

Motion: **SEN. TASH** moved that **DP-39 SOLID WASTE DATABASE CONVERSION BE AMENDED AS ONE-TIME-ONLY.**

Motion/Vote: **REP. TROPILA** moved that **DP-1 TMDL TOTAL MAXIMUM DAILY LOAD PROGRAM, DP-26 NEW PROPOSAL WASTEWATER TECHNICAL ASSISTANT, DP-18 HARD-ROCK BASE ADJUSTMENTS, DP-39 SOLID WASTE DATABASE CONVERSION ONE-TIME-ONLY, DP-81 HARD-ROCK VEHICLES AND DP-82 OPENCUT VEHICLES WITH PROPOSED CHANGES BE ADOPTED AS AMENDED. Motion carried unanimously.**

Mr. Hamel referred to the information previously distributed and presented DP-14 PWSS Base Adjustments which is a request to bring the base back up for the Public Water Supply Program.

EXHIBIT (jnh29a03)

Funding would come from the EPA grant, Hazardous Waste/CERCLA, Public Water Supply fees and State Revolving Fund set-asides.

Ms. Judy Hanson, Acting Administrator, Permitting and Compliance Division, DEQ, stated they had a five-year contract and the project took longer than expected.

{Tape : 1; Side : A; Approx. Time Counter : 392}

Motion/Vote: SEN. CRISMORE moved that **DP-14 PWSS BASE ADJUSTMENTS BE ADOPTED.** Motion carried unanimously.

Mr. Hamel discussed DP-15 Operator Certification Base Adjustments. This is requesting funding to re-establish the base budget for the water and wastewater operator certification program. The program has recently become a federally mandated program. Consequently, the executive anticipates increased expenditures to maintain EPA approval. **Ms. Hanson** stated this was needed to sustain current staffing for the program.

{Tape : 1; Side : A; Approx. Time Counter : 455}

Motion/Vote: SEN. TASH moved that **DP-15 OPERATOR CERTIFICATION BASE ADJUSTMENTS BE ADOPTED.** Motion carried unanimously.

Mr. Hamel discussed DP-16 Solid Waste Base Adjustment which is requesting base adjustments for travel, training, etc., due to the filling of previous vacancies. **Ms. Sensibaugh** stated they are requesting an increase for contracts. The increases would be for graduate student interns to complete special projects.

{Tape : 1; Side : B; Approx. Time Counter : 0}

Mr. Sensibaugh continued that if the DP is approved, they would need a fee increase. They talked to the fee payers and found they would support an increase due to the fact they feel they need more support from the DEQ than present staff is able to give. **REP. TROPILA** asked about the amount of the increased fee. **Mr. Sensibaugh** stated there is a bill to allow the increases in the neighborhood of \$10.00. Historically, there has been general fund support in part.

Motion/Vote: SEN. CRISMORE moved that **DP-16 SOLID WASTE BASE ADJUSTMENT BE ADOPTED.** Motion carried unanimously.

Mr. Hamel presented DP-17 Junk Vehicle Base Adjustments for indirect costs, legal fee/court costs, crushing expenses, etc. **Ms. Hanson** added the metal scrap prices have been so low that the

revenue from a crushed vehicle is not enough to cover the crushing.

{Tape : 1; Side : B; Approx. Time Counter : 72}

Motion/Vote: REP. TROPILA moved that DP-17 JUNK VEHICLE BASE ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

Mr. Hamel stated DP-18 had been addressed and moved on to DP-19 MFSA Base Adjustments. This is a request for the Major Facility Siting Act base for replacement of a digitizer, purchase of a GIS workstation and hand held GPS units. Additional funds for water sampling at Colstrip are also being requested. Ms. Hanson stated fiscal 2003 has a negative figure in contracts and is offset in DP-72 due to an error in determining the DP's.

{Tape : 1; Side : B; Approx. Time Counter : 110}

Motion/Vote: SEN. TASH moved that DP-19 MFSA BASE ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

Mr. Hamel presented DP-20 Open-cut Base Adjustments which is to hire an intern, programming, rent, office and field supplies, and travel expenses. This request utilizes general fund monies. Ms. Hanson stated the funding proposed is the historical general fund and RIT split. Twenty percent comes from the general fund and eighty percent from the RIT. The committee discussed the intern employed and the duties.

{Tape : 1; Side : B; Approx. Time Counter : 160}

Motion/Vote: SEN. CRISMORE moved that DP-20 OPEN-CUT BASE ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-21 Coal and Uranium Base Adjustment to re-establish the base in the coal and uranium program to be used for hiring an intern, programming, rent, office and field supplies and travel expenses. Ms. Hanson stated there was turnover in the year 2000 in the program causing the base to be low and is funded with a federal grant split with the RIT match.

{Tape : 1; Side : B; Approx. Time Counter : 185}

Motion/Vote: SEN. TASH moved that DP-21 COAL AND URANIUM BASE ADJUSTMENT BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke on DP-22 Water Permits Base Adjustments to re-establish the base budget for the permits section of the water protection bureau. Additional funding is being added for database maintenance, and replacement of printers, fax machine, and computers. **Ms. Hanson** stated the largest request is in contracts with \$10,000 for database maintenance and \$10,000 for technical services for assistance with storm water inspections. The funding is a combination of general fund, RIT, fees and grants.

{Tape : 1; Side : B; Approx. Time Counter : 215}

Motion/Vote: SEN. CRISMORE moved that DP-22 WATER PERMITS BASE ADJUSTMENTS BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-23 Subdivision Base Adjustment which is a request for state special revenue to re-establish the base. It is lower than it should be due to vacancies experienced for the majority of fiscal 2000. **Ms. Hanson** stated the largest areas in the request is in the indirects and in the grants to counties. **Ms. Sensibaugh** stated they have great difficulty in filling positions in the subdivision program. The counties do a large amount of work for the State in the subdivision program with the applications and on-site inspections and they need to increase the funding to the counties. There are two bills before the session at this time. One is to give the State the responsibility for the final decision in subdivision and the other would give the counties the final decision. The counties do not want the burden of the workload or the liability. They do not feel they have the expertise or the staff.

{Tape : 1; Side : B; Approx. Time Counter : 315}

Motion/Vote: SEN. TASH moved that DP-23 SUBDIVISION BASE ADJUSTMENT BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke on DP-24 MPDES Permit Writer which is requesting 1.0 FTE and related funding for a Montana Pollution Discharge Elimination (MPDEA) permit writer in the 2003 biennium. The EPA has identified the backlog of MPDES permits as a national priority and established a goal of no more than ten percent backlog in permits for major facilities by October 1, 2001. His recommendation is that perhaps this would be a one-time-only appropriation. **Mr. Schmitz** did not see the need for a one-time-only appropriation. **Ms. Hanson** stated this additional writer will be necessary permanently due to the on-going five-year renewal cycle of permits. She explained what the permits allow.

{Tape : 1; Side : B; Approx. Time Counter : 444}

Motion/Vote: SEN. CRISMORE moved that DP-24 MPDES PERMIT WRITER BE ADOPTED. Motion carried unanimously.

Mr. Hamel stated DP-31 IT positions to CMP had been discussed earlier with other programs regarding the move of informational technology positions to the Central Management Program.

{Tape : 1; Side : B; Approx. Time Counter : 465}

Motion/Vote: SEN. CRISMORE moved that DP-31 IT POSITIONS TO CMP BE ADOPTED. Motion carried unanimously.

Mr. Hamel continued with DP-32 Public Water Supply System Staffing which reduces contracted services and adds 2.0 FTE and related funding in the public water supply program. He explained the two positions. Ms. Hanson stated this decision package zeros out since they are reducing contract services in order to fund the two positions.

(Note: The first few minutes of Tape 1, Side A have been recorded over and are a continuation of Tape 1, Side B.)

{Tape : 1; Side : A; Approx. Time Counter : 0}

Motion/Vote: SEN. CRISMORE moved that DP-32 PUBLIC WATER SUPPLY SYSTEM STAFFING BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-37 Legal Staff Changes for Program 50 which is a request for a reduction in funding to account for legal staff changes. Due to an increase in enforcement cases, this transfer moved FTE and funding from program 50 to program 30. Mr. Chisholm stated the other part of this decision package was in the Enforcement Division as an increase. That .5 FTE spends the majority of his time in the Enforcement Division and the funding for it should be moved there.

{Tape : 1; Side : A; Approx. Time Counter : 30}

Motion/Vote: SEN. TASH moved that DP-37 LEGAL STAFF CHANGES FOR PROGRAM 50 BE ADOPTED. Motion carried unanimously.

Mr. Hamel stated DP-39 had been completed and moved on to DP-41 Junk Vehicle Database Conversion which is a request to upgrade the existing database to the department-supported Oracle system.

{Tape : 2; Side : A; Approx. Time Counter : 0}

Ms. Hanson commented this is funded with state special and will bring this agency onto the same system the remainder of the department is using.

{Tape : 2; Side : A; Approx. Time Counter : 15}

Motion/Vote: SEN. TASH moved that DP-41 JUNK VEHICLE DATABASE CONVERSION ONE-TIME-ONLY AND RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel presented DP-48 Asbestos Compliance which is a request for contracted serviced in the asbestos program due to an increased workload resulting from increase public awareness of asbestos. The agency has designated this a one-time-only and restricted DP. **Ms. Hanson** distributed a bar chart for the committee to see the activity in the program.

EXHIBIT (jnh29a04)

She explained the chart and the figures with projections for this fiscal year. **Ms. Sensibaugh** added the Department had struggled with this request. With the huge increase in activity and in order to cover the costs with fees, it would have increased fees 200%. Therefore, they strived for a balance which is one-third general fund and two-thirds fees. The contract services in the asbestos program is for the training of the asbestos removers.

{Tape : 2; Side : A; Approx. Time Counter : 75}

Motion/Vote: REP. TROPILA moved that DP-48 ASBESTOS COMPLIANCE ONE-TIME-ONLY AND RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel moved on to DP-51 - 401 Certification Permit Writer, a request for an additional 1.0 FTE for a certification permit writer. There has been workload increases in various areas causing the need. **Ms. Hanson** distributed a bar chart to show the increased activity for the staff.

EXHIBIT (jnh29a05)

She explained the chart and the permits that need to be written. It is basically permits for any activity involving the streams. There was further discussion regarding the highway department constructing in wetlands, work done by the Army Corps of

Engineers, and how those permits are handled. This FTE would work out of Helena but spend nearly all his time in the field.

{Tape : 2; Side : A; Approx. Time Counter : 155}

Motion/Vote: SEN. TASH moved that DP-51 401 CERTIFICATION PERMIT WRITER BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-52 Hazardous Waste Contracted Services which is a request for a biennial appropriation for contracted technical assistance as a one-time-only and restricted. **Ms. Hanson** added they are expecting funds from applicants for this project but if they do not receive them, they will not spend the money.

{Tape : 2; Side : A; Approx. Time Counter : 182}

Motion/Vote: SEN. CRISMORE moved that DP-52 HAZARDOUS WASTE CONTRACTED SERVICES ONE-TIME-ONLY, RESTRICTED AND BIENNIAL BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke on DP-54 Bond Forfeitures which is requested by the department to be biennial and restricted. The net effect would be more than \$30,000,000 in appropriations for numerous mine projects in various stages of reclamation using forfeited bond monies. **Ms. Hanson** distributed a chart of anticipated bond amounts per site.

EXHIBIT (jnh29a06)

She explained the reclamation and spending of the Pegasus project. They spent \$9-10 million in fiscal 2000 and she anticipated spending another \$10 million in fiscal 2001. That will leave the amounts on the chart distributed. She explained how the bond monies come to them. The Department did not ask for this to be a one-time-only since it will be ongoing.

{Tape : 2; Side : A; Approx. Time Counter : 280}

Motion/Vote: REP. TROPILA moved that DP-54 BOND FORFEITURES BIENNIAL APPROPRIATION AND RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-55 MEPA Projects which is a request for an increase in fiscal 2002 and a reduction in fiscal 2003 to accommodate potential Montana Environmental Protection Act project funding. The department is responsible for preparing and/or coordinating Environmental Impact Statements for major

projects and requests this as a restricted biennial appropriation. **Ms. Hanson** stated this is a request for spending authority if they get applications to do Environmental Impact Statements. The fees are supplied from the applicant.

{Tape : 2; Side : A; Approx. Time Counter : 335}

Motion/Vote: SEN. TASH moved that DP-55 MEPA PROJECTS BIENNIAL APPROPRIATION AND RESTRICTED BE ADOPTED. Motion carried unanimously.

{Tape : 2; Side : A; Approx. Time Counter : 360}

Mr. Curt Chisholm, Deputy Director, DEQ, distributed information for the committee on the Flow of RIT Proceeds and Interest.

EXHIBIT (jnh29a07)

He stated the next DP was requesting spending authority for money given to them by the Bureau of Land Management (BLM). The exhibit is an attempt to explain the flow of the funds and some of the dilemmas the DEQ is facing. In 1998 Pegasus Gold Corporation was licensed to operate six mines throughout the state and filed for bankruptcy protection under Chapter 11. At the conclusion of all the bankruptcy procedures, two of the mines came out reorganized and are currently being operated under a different corporation. The other four mines have bonding problems. **Mr. Chisholm** stated the DEQ took enforcement action against Pegasus for the contamination of Montana water and it was ruled Pegasus needed to build two water treatment plants developing systems to return the water to the environment in a safe manner. The DEQ forecasted this would be a long-term project--as long as 101 years. After the company declared bankruptcy, the state was awarded \$731,000 each January until 2017 for water treatment emanating at the mine site. In 2017 a large trust fund will kick in for the water treatment. However, the \$731,000 is not sufficient for the water treatment. The BLM came to the rescue of the DEQ since they share in the responsibility for the water treatment.

{Tape : 2; Side : B; Approx. Time Counter : 0}

Mr. Chisholm continued that DP-56 is requesting spending authority to help offset some of the deficits they are experiencing due to the cost overruns above the \$731,000. The trust fund that should be worth \$15 million is also short about \$2.7 million. He explained how that happened. They appeared before the Long Range Building Committee to ask for a grant from

the reclamation and development grants and it has been approved at the committee level. The task before them is to find the remainder of the funds needed to build the trust. The downside of not completing the trust to \$15 million would be in dealing with the Indian tribes for the perpetual water treatment over the next 100 years. The tribes are pursuing having the lands returned to them and insist they be in the condition they were before the mining took place. They continued discussion about the water treatment plants, the dirt reclamation, the gold mining being done, the escalation of the water problem, and possible funding sources. **Mr. Chisholm** stated there will be bills introduced in this session addressing funding sources. **CHAIRMAN HAINES** asked the Department to put this explanation in writing for future use. **Ms. Sensibaugh** added the good news is that the federal partners have recognized they need to help in the reclamation effort and DP-56 reflects that.

{Tape : 2; Side : B; Approx. Time Counter : 290}

There was discussion about how the current bills being proposed would affect small miners in the bonding process.

{Tape : 2; Side : B; Approx. Time Counter : 340}

Ms. Hanson stated the U. S. Forest Service has agreed to contribute \$2,000,000 toward the reclamation work and she asked to change the amount of DP-56 from \$1,000,000 to \$3,000,000.

{Tape : 2; Side : B; Approx. Time Counter : 405}

Motion/Vote: SEN. TASH moved that DP-56 HARDROCK FEDERAL FUNDS ONE-TIME-ONLY, RESTRICTED, BIENNIAL APPROPRIATION OF \$3,000,000 BE ADOPTED. Motion carried unanimously.

Mr. Hamel continued with DP-61 Junk Vehicle Grants which is a request for state special revenue from the junk vehicle account for increases in spending authority for grants given to counties. A three percent increase in the total grants to counties is being requested to meet the anticipated and projected county eligibility for grant funding. **Ms. Hanson** stated they have the ability by statute to reimburse the counties and they need the spending authority to do that.

{Tape : 2; Side : B; Approx. Time Counter : 450}

Motion/Vote: SEN. CRISMORE moved that DP-61 JUNK VEHICLE GRANTS BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-62 Administrative Support in the water permits section which is to help with the backlog of work.

{Tape : 2; Side : B; Approx. Time Counter : 485}

Motion/Vote: REP. TROPILA moved that DP-62 WP ADMINISTRATIVE SUPPORT BE ADOPTED. Motion carried unanimously.

Mr. Hamel presented DP-68, a request in each year of the biennium to maintain the recently developed databases within the Air and Waste Management Bureau (AWMB).

{Tape : 3; Side : A; Approx. Time Counter : 0}

Ms. Sensibaugh stated this is the most complicated and complex database in the agency which they are taking over from the federal government. **CHAIRMAN HAINES** expressed his concern in these DP's growing the base of the agency.

{Tape : 3; Side : A; Approx. Time Counter : 23}

Motion/Vote: SEN. TASH moved that DP-68 AWMD DATABASE MAINTENANCE BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke on DP-71 Fines, Fees, and Penalties which is a request to establish a budget for the expenditure of funds in the fines, fees, and penalties account. They are requesting biennial spending authority and that it be restricted. The DEQ would like to de-earmark an account that had been previously earmarked. **Mr. Chisholm** explained the situation further that the revenues were to be designated general fund and they are asking that they be re-earmarked. The earmarking is to apply to the fines and penalties but not to the fees for the opencut and hardrock permits. **Ms. Hanson** proposed the DP be reduced to \$50,000 for biennial one-time-only restricted spending authority.

The de-earmarking was based on a study by the Interim Finance Committee to allow the fines and penalties to flow into the general fund. **Ms. Hanson** further explained the study and the results. **Mr. Hamel** commented the DP now proposed by the agency would be in regards to the fees only.

{Tape : 3; Side : A; Approx. Time Counter : 100}

Motion/Vote: REP. TROPILA moved that DP-71 FINES, FEES, AND PENALTIES BE REDUCED TO \$50,000 IN FEES ONLY, ONE-TIME-ONLY,

RESTRICTED, BIENNIAL SPENDING AUTHORITY BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-72 Major Facility Siting Act Projects (MFSA) which is a request to accommodate potential project funding. Power generation projects are pending in the department and the department would use the authority to review plans for proposed facilities. **Ms. Hanson** stated this could be restricted and biennial. Her concern, with the current energy situation, is if the amount would be enough for projects coming in for review. **Ms. Sensibaugh** felt it might not be enough with the energy project on the horizon. They may have to ask for additional funds with a budget amendment. **CHAIRMAN HAINES** felt it should also be one-time-only.

{Tape : 3; Side : A; Approx. Time Counter : 165}

Motion/Vote: SEN. CRISMORE moved that DP-72 MAJOR FACILITY SITING ACT PROJECTS FOR \$259,338, ONE-TIME-ONLY, RESTRICTED BIENNIAL APPROPRIATION BE ADOPTED. Motion carried unanimously.

Mr. Hamel continued with DP-73 Abandoned Vehicles Operating Costs which is requesting \$172,230 spending authority each year of the biennium within the junk vehicle fund. This request would provide funding to meet contract payments to participating haulers during fiscal 2002 and 2003. The junk vehicle disposal fee paid when registering a motor vehicle funds this program. **Ms. Hanson** distributed information on the numbers of vehicles abandoned and the costs incurred to dispose of them.

EXHIBIT (jnh29a08)

She stated the large increase in numbers is expected due to the fact that all towers have not been submitting bills for reimbursement but are expected to in the next biennium. There was further discussion about the abandoned vehicles.

{Tape : 3; Side : A; Approx. Time Counter : 346}

Motion/Vote: SEN. CRISMORE moved that DP-73 ABANDONED VEHICLES OPERATING COSTS ONE-TIME-ONLY, RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-74 Public Water Supply Equipment which is a request for scanning equipment. The department anticipates additional hardware and software purchases would be made to provide internet access by the public to the Public Water Supply section. He recommended one-time-only.

{Tape : 3; Side : A; Approx. Time Counter : 378}

Motion/Vote: SEN. TASH moved that DP-74 PUBLIC WATER SUPPLY EQUIPMENT ONE-TIME-ONLY AND RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel spoke about DP-80 Public Water Supply Leased Vehicles requesting funds to lease two additional state Motor Pool vehicles for the Billings office staff.

{Tape : 3; Side : A; Approx. Time Counter : 400}

Motion/Vote: SEN. CRISMORE moved that DP-80 PUBLIC WATER SUPPLY LEASED VEHICLES BE ADOPTED. Motion carried unanimously.

Mr. Hamel stated DP-81 and DP-82 had been addressed. He moved on to new proposals. DP-4 Storm Water Phase II Permit Writer is a request for one FTE and funding for a storm water permit writer. The EPA has recently implemented additional requirements for storm water permits which will increase the workload significantly. Ms. Hanson distributed a graph chart for the committee to indicate the increases.

EXHIBIT (jnh29a09)

She stated they are dealing with federal regulations. This is funded from state special revenue fees. The increases are due to the fact that the requirements for a permit have been lowered to areas one-acre in size.

{Tape : 3; Side : A; Approx. Time Counter : 495}

Motion/Vote: SEN. TASH moved that DP-4 STORM WATER PHASE II PERMIT WRITER BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-10 NRIS Core PCD which is the Permitting and Compliance Division portion of core funding for the Montana State Library Natural Resource Information System (NRIS) based on a three-year average use formula.

{Tape : 3; Side : B; Approx. Time Counter : 0}

Motion/Vote: SEN. NELSON moved that DP-10 NRIS CORE PCD BE ADOPTED. Motion carried unanimously.

Mr. Hamel discussed DP-17 Hardrock Equipment which is to purchase equipment for photographing and preparing maps for public meeting

and MEPA documents. **Ms. Hanson** stated this could be a one-time-only and restricted appropriation.

{Tape : 3; Side : B; Approx. Time Counter : 17}

Motion/Vote: SEN. TASH moved that DP-17 HARDROCK EQUIPMENT ONE-TIME-ONLY AND RESTRICTED BE ADOPTED. Motion carried unanimously.

Mr. Hamel continued with DP-91 Operator Training Reimbursement Program which is a request for reimbursement of training costs and certification for persons operating community and non-community public water systems serving 3,300 persons or less.

Ms. Hanson stated the money is 100% federal funds and requires no match. She distributed a chart showing the different types of reimbursements.

EXHIBIT (jnh29a10)

Ms. Sensibaugh stated it is a new federal program requiring certification for these people and the communities did not have funds for the training; therefore, the government allocated funds for the training and certification. It is a four-year program. The committee discussed one-time-only and/or restricted spending authority and decided against both.

Motion/Vote: SEN. CRISMORE moved that DP-91 OPERATOR TRAINING REIMBURSEMENT PROGRAM BE ADOPTED. Motion carried unanimously.

DP'S TO BE REVISITED

Mr. Hamel distributed a list of DP's to be revisited.

EXHIBIT (jnh29a11)

Mr. Hamel stated DP-1 TMDL Program (Program 20) and DP-26 Technical Assistant were accepted in the global motion earlier. All DP's had been discussed earlier and it was decided they could be dealt with all together. It is all general fund monies for a total of \$1,015,020.

{Tape : 3; Side : B; Approx. Time Counter : 129}

Motion/Vote: SEN. CRISMORE moved that DP-4, DP-7, DP-2, DP-3, DP-5, DP-25, AND DP-8 PER EXHIBIT 11 BE ADOPTED. Motion carried unanimously.

CHAIRMAN HAINES adjourned the meeting.

ADJOURNMENT

Adjournment: 11:45 A.M.

REP. DICK HAINES, Chairman

SANDRA WHITAKER, Transcription
Secretary

DH/SW

EXHIBIT (jnh29aad)